

STATEMENT FOR THE RECORD

BY

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NATIONAL LEGISLATIVE DIRECTOR

PARALYZED VETERANS OF AMERICA

TO THE

SUBCOMMITTEE ON HEALTH

HOUSE COMMITTEE ON VETERANS AFFAIRS

CONCERNING

H.R. 709, THE “VETERANS PRESCRIPTION ACCESS IMPROVEMENT ACT”

**H.R. 372, TO AUTHORIZE PHARMACIES OF THE DEPARTMENT OF
VETERANS AFFAIRS TO FILL PRESCRIPTIONS FOR DRUGS AND
MEDICINES WRITTEN BY PRIVATE PHYSICIANS**

H.R. 240, THE “VETERANS PRESCRIPTION DRUG EQUITY ACT”

THE “VETERANS PRESCRIPTION DRUG BENEFITS ACT OF 2003”

MARCH 19, 2003

The Paralyzed Veterans of America (PVA) appreciates this opportunity to submit testimony for the record concerning H.R. 709, the “Veterans Prescription Access

Improvement Act”; H.R. 372, to authorize pharmacies of the Department of Veterans Affairs to fill prescriptions for drugs and medicines written by private physicians; H.R. 240, the “Veterans Prescription Drug Equity Act”; and a pending draft bill, the “Veterans Prescription Drug Benefits Act of 2003.”

Last Congress, we stated that we opposed a measure identical to H.R. 709. We noted that:

The approximate \$1 billion increase for health care slated for FY 2002 does not even cover salary increases and inflation for the coming year. Moreover, it is estimated that next year the cost of pharmaceuticals will be three times the rate of inflation. The [Department of Veterans Affairs (VA)] VA does not need to take on the role of the veterans’ drug store. Now is not the time, when the VA does not have the resources necessary to provide sick and disabled veterans the health care they need, to further burden the VA with additional demands on these scarce resources.

Now we are nearing FY 2004, and the situation faced by the VA is even graver. The Administration has recommended a health care increase of \$1.3 billion in a budget laden with unrealistic “management efficiencies” and enrollment fees and increased co-payments. This recommended increase falls far short of the amounts recommended by *The Independent Budget* and the full Committee. Even though the Budget Committee recently acted, stating that it was providing the resources needed to cover the Administration’s request, we find it difficult to see how the Budget Resolution, containing fewer discretionary dollars than the Administration’s request, will enable even this inadequate increase. In fact, the Budget Committee voted last week to actually cut VA health care and veterans’ benefits by \$25 billion over the next ten years.

Last Congress, there were estimates that a measure such as this could save the VA nearly \$1 billion a year, savings we believe to be illusory. We have also seen estimates that it could cost far, far more than \$1 billion, possibly even reaching as high as \$15 billion. With the VA taking steps to drastically reduce access and a budget situation that can only be described as critical, now is not the time to take chances with the lives and health of veterans by dramatically, and fundamentally, changing the nature of the VA health care system.

Likewise, we must also oppose H.R. 372 and H.R. 240. Both measures suffer under the same funding infirmities as H.R. 709. Furthermore, H.R. 372 would arguably provide a benefit foreclosed to veterans who rely solely upon the VA for their health care needs while H.R. 240 would benefit only certain veterans in one region and have a disparate impact on other veterans. At this crucial time, we believe that all veterans must stand together and fight for the health care system designed and operated to deliver health care that meets the needs of veterans.

Finally, PVA supports the “Veterans Prescription Drug Benefits Act of 2003.” By providing a new Medicare drug benefit to veterans, this measure would begin to address a vital need and concern of our elderly citizens – the need for affordable pharmaceuticals. We look upon this as providing a new Medicare benefit, and not a new VA benefit.

The increasing use of prescription drugs for medical treatment options has revolutionized the provision of medical care. Every year pharmaceuticals represent an ever-growing

percentage of health-care expenditures. Medicare has not kept up with this revolution. By providing veterans with this benefit, facilitated through the VA and ensuring that VA does not spend scarce and inadequate resources, we can begin the process of reflecting the manner in which health care is delivered in this Nation.

This measure, unlike other measures addressed today, would not force the VA alone to bear the burden of addressing this national policy failure – and it, of the measures addressed today, does not suffer under what we consider to be risky and potentially catastrophic funding infirmities. The VA would merely be acting to facilitate a benefit offered to veterans, a benefit that would provide substantial pharmaceutical savings to the federal government because of VA's statutorily mandated discounts. In addition, this bill would reimburse the VA for expenses relating to the implementation of this benefit as well as costs incurred in administering it.

Although veterans seeking treatment for a service-connected condition, and veterans with service-connected disabilities rated at 50 percent or more are expressly exempted from the requirement of enrolling in order to receive care by virtue of 38 U.S.C. § 1705 (c)(2), we ask that the final version of this bill explicitly reiterate that veterans choosing this Medicare benefit, and foregoing their VA health care options are always able to seek treatment for service-connected conditions at VA facilities. Additionally we request that other veterans needing specialized services be afforded access to care.

PVA appreciates this opportunity to testify for the record concerning these important bills.

RICHARD B. FULLER

Richard B. Fuller is the National Legislative Director of the Paralyzed Veterans of America (PVA), a non-profit veterans service organization chartered by the United States Congress to represent the interests of its members, veterans with spinal cord injury or dysfunction, and all Americans with disabilities. PVA's primary legislative focus centers on issues supporting the Department of Veterans Affairs health care system and the specialized services VA provides to PVA members. He is responsible for coordinating the organization's legislative and oversight activities on all veterans' benefits and services, as well as oversight on all federal health systems – Medicare and Medicaid – and research activities which benefit veterans as well as all Americans with disabilities.

Mr. Fuller served for eight years on the professional staff of the Committee on Veterans' Affairs of the U.S. House of Representatives with primary responsibilities in areas of veterans' health and education legislation. Since 1987, he has worked in the field of public policy and government relations, specializing in health policy for a wide variety of health advocacy, consumer health research and provider non-profit organizations in Washington, DC.

Mr. Fuller was Director of Public Affairs of the House Committee on Veterans' Affairs from 1979-1981. He served on the professional staff of the Subcommittee on Education, Training and Employment and for the Subcommittee on Hospitals and Health Care until 1987. In 1987, he joined the national government relation's staff of PVA, serving first as Associate Legislative Director, and then as National Legislative Director. In 1991, he joined a Washington D.C. health care consulting firm representing the public policy and legislative interests of several national medical and research societies, including: the American Federation for Clinical Research; the American Gastroenterological Association; the American Geriatrics Society; and the National Association of Veterans Research and Education Foundations. He returned to PVA in 1993 to lead the organization's outreach efforts on national and state health-care reform.

Mr. Fuller graduated with a Bachelor of Arts degree from Duke University in 1968. He served in the United States Air Force from 1968-1972, stationed two and one-half years in Vietnam and Southeast Asia as an aircrew Vietnamese linguist with the Air Force Security Service.

Information Required by Rule XI 2(g)(4) of the House of Representatives

Pursuant to Rule XI 2(g)(4) of the House of Representatives, the following information is provided regarding federal grants and contracts.

Fiscal Year 2003

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— \$220,000 (estimated).

Fiscal Year 2002

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— \$179,000.

Fiscal Year 2001

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program— \$242,000.